Risk Management Policy

Version: 1.0

Approved: January 2025

Review due: January 2026

Version control

Version	Amendment(s)	Date approved

1. Introduction

Friends of Berrycroft (FoB) is dedicated to managing risks effectively to protect its assets, ensure operational continuity, and achieve its charitable objectives.

This Risk Management Policy outlines the approach to identifying, assessing, and managing risks associated with the charity's activities.

2. Objectives

This policy aims to identify, assess, and mitigate risks to ensure the charity achieves its objectives while minimising potential harm to its operations, reputation, and stakeholders.

As such, the primary objectives of the risk management process are to:

- Safeguard FOB's assets, including financial resources and reputation.
- Ensure legal and regulatory compliance.
- Protect the well-being of staff, volunteers, beneficiaries, and other stakeholders.
- To establish a structured approach to risk management.
- To identify and evaluate potential risks that could impact FOB's operations and objectives.
- To implement strategies to mitigate and manage identified risks.

3. Scope

This policy applies to all Trustees, employees, volunteers, and any other individuals or entities involved in the activities of Friends of Berrycroft. It covers all aspects of the charity's operations, including but not limited to programmes, finances, reputational risk, and governance. Where necessary, FOB will create additional relevant policies, such as systems of internal control, due diligence and health & safety policies.

4. Definitions

4.1 Risk

A risk is defined as the effect of uncertainty on the charity's objectives. It can be an opportunity or a threat.

4.2 Risk Management

Risk management involves identifying, assessing, and prioritising risks, and implementing strategies to minimise, monitor, and control the probability or impact of adverse events.

5. Our approach to risk management

Risk is usually managed by means of a cycle of identification, quantification, management and review.

- **Identification.** Identify the various risks that may materialise.
- **Quantifying.** Assess and quantify these risks.
- **Managing.** Take appropriate action to manage these risks. This is usually the weakest area in a risk management framework. Risks can be managed as follows:
    - **Avoidance.** Action that can be taken to avoid a risk occurring.
    - **Mitigation.** Action that can be taken to reduce the impact a risk may have, if it occurs.
    - **Buying Out**. Generally, this is done using insurance.
    - **Accepting.** Risk cannot be eliminated entirely, and any steps taken to manage risk must be reasonable, as resources are not unlimited in terms of money and time. Equally, adopting a purely risk averse approach limits opportunity.
    - **Reviewing.** Risks should be reviewed as regularly as is necessary, depending on their likely probability and impact in the light of changing circumstances. This may be done on an ongoing basis, at appropriate points in projects or at regular meetings.

5.1 Risk Identification and Assessment

- Risks will be identified through regular risk assessments conducted at least annually.
- Identified risks will be assessed based on likelihood and impact to determine the level of risk.
- Risks will be categorised as strategic, operational, financial, or compliance related.

5.2 Risk Mitigation and Management

- Strategies for risk mitigation will be developed for high-priority risks.

- Mitigation plans will be assigned to responsible individuals with clear timelines.
- Regular monitoring and reporting on the progress of risk mitigation plans will be conducted.

6. Roles and Responsibilities

6.1 Board of Trustees

- **Oversight:** The Board of Trustees is responsible for overseeing the risk management framework and ensuring that appropriate risk management practices are in place.
- **Approval:** Approving the Risk Management Policy and reviewing its effectiveness.

6.2 Employees and Volunteers

- **Awareness:** Employees and volunteers must be aware of and adhere to risk management policies and procedures.
- **Reporting:** Reporting any identified risks or incidents to a member of FOB or Trustee.

7. Risk Register (see Appendix)

7.1 Maintenance

- **Purpose:** The Risk Register will document identified risks, their assessment, and the strategies implemented to manage them.
- **Process:** The Risk Register will be maintained and updated regularly by the Board of Trustees.

7.2 Access

- **Availability:** The Risk Register will be available for review by the Board of Trustees and relevant stakeholders.
- **Communication:** Key risks and mitigation efforts will be communicated to relevant stakeholders.

8. Risk Management Policy Review

This policy will be reviewed annually by the Board of Trustees to ensure that the policy remains relevant and effective in managing the FOB risks.

9. Communication

This policy will be communicated to all Trustees, employees, and volunteers and made available on the FoB website.

Any updates or changes to the policy will be promptly communicated to all relevant parties.

10. Policy Approval

This Risk Management Policy is approved by the Board of Trustees of Friends of Berrycroft and is effective from the date below.

Approved by: (Signature)

Approved by: (PRINT NAME)

Jacqueline Harris

Chair of Trustees, Friends of Berrycroft

Date: _____26/01/2025_____

This Risk Management Policy ensures that Friends of Berrycroft adopts a proactive approach to risk management, safeguarding the charity's assets and ensuring its operational effectiveness and continuity.

Useful links from the Charity Commission

- Fundraising legally and responsibly
- How to manage risk in your charity
- Charities and Risk Management
- Charities, fraud and financial crime
- Moving and receiving funds safely
- Keeping money safe

Friends of Berrycroft Risk Register

Risk ID	Risk description	Likelihood	Impact	Risk rating	Mitigation measures	Responsible person	Review date	Status

Guidance

1. **Risk ID:** Assign a unique identifier to each risk.
2. **Risk Description:** Provide a clear and concise description of the risk.
3. **Likelihood:** Assess the probability of the risk occurring (Low, Medium, High).
4. **Impact:** Assess the potential impact on the charity if the risk occurs (Low, Medium, High).
5. **Risk Rating:** Determine the overall risk rating based on likelihood and impact.
6. **Mitigation Measures:** Outline the actions and measures in place to mitigate or manage the risk.
7. **Responsible Person:** Identify the individual responsible for managing and monitoring the risk.
8. **Review Date:** Set a date for the next review of the risk.
9. **Status:** Indicate the current status of the risk (Open, Closed).